

BILL LOCKYER, Attorney General
of the State of California
SUSAN A. RUFF, State Bar No. 115869
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California Department of Justice
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Attorneys for Complainant

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

VERNON T. HALL
6960 Magnolia # 200
Riverside, CA 92506

Certificate No. CPA 12996

Respondent.

Case No. AC-2004-11

OAH No. L-2004050411

**STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER**

In the interest of a prompt and speedy settlement of this matter, consistent with the public interest and the responsibility of the Board, the parties hereby agree to the following Stipulated Settlement and Disciplinary Order which will be submitted to the Board for approval and adoption as the final disposition of the Accusation.

PARTIES

1. Carol Sigmann (Complainant) is the Executive Officer of the California Board of Accountancy (Board). She brought this action solely in her official capacity and is represented in this matter by Bill Lockyer, Attorney General of the State of California, by Susan A. Ruff, Deputy Attorney General.

2. Respondent Vernon T. Hall (Respondent) is represented in this proceeding by lay representative Charles Benninghoff, whose address is: Benninghoff & Ramirez 31897 Del Obispo, Suite 220, San Juan Capistrano, CA 92675.

1 3. On or about April 21, 1967, the Board issued Certificate No. CPA 12996
2 to Respondent. The Certificate was in full force and effect at all times relevant to the charges
3 brought in Accusation No. AC-2004-11.

4 JURISDICTION

5 4. Accusation No. AC-2004-11 was filed before the Board and is currently
6 pending against Respondent. The Accusation and all other statutorily required documents were
7 properly served on Respondent on April 7, 2004. Respondent timely filed his Notice of Defense
8 contesting the Accusation. A copy of Accusation No. AC-2004-11 is attached as exhibit A and
9 incorporated herein by reference.

10 ADVISEMENT AND WAIVERS

11 5. Respondent has carefully read, fully discussed with his lay representative,
12 and understands the charges and allegations in Accusation No. AC-2004-11. Respondent has
13 also carefully read, fully discussed with his lay representative, and understands the effects of this
14 Stipulated Settlement and Disciplinary Order.

15 6. Respondent is fully aware of his legal rights in this matter, including the
16 right to a hearing on the charges and allegations in the Accusation; the right to be represented by
17 counsel at his own expense; the right to confront and cross-examine the witnesses against him;
18 the right to present evidence and to testify on his own behalf; the right to the issuance of
19 subpoenas to compel the attendance of witnesses and the production of documents; the right to
20 reconsideration and court review of an adverse decision; and all other rights accorded by the
21 California Administrative Procedure Act and other applicable laws.

22 7. Respondent voluntarily, knowingly, and intelligently waives and gives up
23 each and every right set forth above.

24 CULPABILITY

25 8. Respondent admits the truth of each and every charge and allegation in
26 Accusation No. AC-2004-11.

27 9. Respondent agrees that his Certificate is subject to discipline and he agrees
28 to be bound by the Board's imposition of discipline as set forth in the Disciplinary Order below.

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1 representatives, provided such notification is accomplished in a timely manner.

2 5. **Comply With Probation.** Respondent shall fully comply with the terms
3 and conditions of the probation imposed by the Board and shall cooperate fully with
4 representatives of the California Board of Accountancy in its monitoring and investigation of the
5 Respondent's compliance with probation terms and conditions.

6 6. **Practice Investigation.** Respondent shall be subject to, and shall permit,
7 practice investigation of the Respondent's professional practice. Such a practice investigation
8 shall be conducted by representatives of the Board, provided notification of such review is
9 accomplished in a timely manner.

10 7. **Comply With Citations.** Respondent shall comply with all final orders
11 resulting from citations issued by the California Board of Accountancy.

12 8. **Tolling of Probation For Out-of-State Residence/Practice.** In the event
13 Respondent should leave California to reside or practice outside this state, Respondent must
14 notify the Board in writing of the dates of departure and return. Periods of non-California
15 residency or practice outside the state shall not apply to reduction of the probationary period, or
16 of any suspension. No obligation imposed herein, including requirements to file written reports,
17 reimburse the Board costs, or make restitution to consumers, shall be suspended or otherwise
18 affected by such periods of out-of-state residency or practice except at the written direction of the
19 Board.

20 9. **Violation of Probation.** If Respondent violates probation in any respect,
21 the Board, after giving Respondent notice and an opportunity to be heard, may revoke probation
22 and carry out the disciplinary order that was stayed. If an accusation or a petition to revoke
23 probation is filed against Respondent during probation, the Board shall have continuing
24 jurisdiction until the matter is final, and the period of probation shall be extended until the matter
25 is final.

26 10. **Completion of Probation.** Upon successful completion of probation,
27 Respondent's license will be fully restored.

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1 11. **Ethics Course/Examination.** Respondent shall take and pass with a score
2 of 90 percent or better a Board approved ethics examination within 90 days of the effective date
3 of the Board's Decision.

4 If Respondent fails to pass said examination within the time period provided or
5 within two attempts, Respondent shall so notify the Board and shall cease practice until
6 Respondent takes and successfully passes said exam, has submitted proof of same to the Board,
7 and has been notified by the Board that he may resume practice. Failure to pass the required
8 examination within the first year of probation shall constitute a violation of probation.

9 12. **Cost Reimbursement.** Respondent shall reimburse the Board \$3,376.53
10 for its investigation and prosecution costs. The payment shall be made within 30 days of the date
11 the Board's decision is final.

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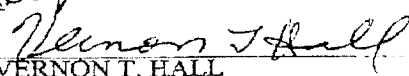
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ACCEPTANCE


I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my lay representative Charles Benninghoff. I understand the stipulation and the effect it will have on my Certificate. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board.

DATED: November 23, 2004


VERNON T. HALL
Respondent

I have read and fully discussed with Respondent Vernon T. Hall the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: November 24, 2004

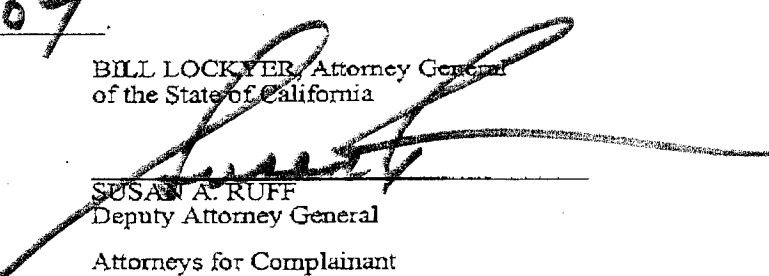

CHARLES BENNINGHOFF
Lay representative for Respondent

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board.

DATED: 11/29/04


BILL LOCKYER, Attorney General
of the State of California


SUSAN A. RUFF
Deputy Attorney General

Attorneys for Complainant

ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my lay representative Charles Benninghoff. I understand the stipulation and the effect it will have on my Certificate. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Board.

DATED: November 23, 2004

Vernon T. Hall
VERNON T. HALL
Respondent

I have read and fully discussed with Respondent Vernon T. Hall the terms and conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: Nov 29, 2004

Charles Benninghoff
CHARLES BENNINGHOFF
Lay representative for Respondent

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Board.

DATED: _____

BILL LOCKYER, Attorney General
of the State of California

Susan A. Ruff
SUSAN A. RUFF
Deputy Attorney General

Attorneys for Complainant

**BEFORE THE
CALIFORNIA BOARD OF ACCOUNTANCY
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

VERNON T. HALL
6960 Magnolia # 200
Riverside, CA 92506

Certificate No. CPA 12996

Respondent.

Case No. AC-2004-11

OAH No. L-2004050411

DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Board, as its Decision in this matter.

This Decision shall become effective on January 25, 2005.

It is so ORDERED January 25, 2005.



FOR THE BOARD

Exhibit A
Accusation No. AC-2004-11

1 BILL LOCKYER, Attorney General
of the State of California
2 SUSAN A. RUFF, State Bar No. 115869
Deputy Attorney General
3 California Department of Justice
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7 Attorneys for Complainant

8 **BEFORE THE**
9 **CALIFORNIA BOARD OF ACCOUNTANCY**
10 **DEPARTMENT OF CONSUMER AFFAIRS**
STATE OF CALIFORNIA

11 In the Matter of the Accusation Against:

Case No. AC-2004-11

12 VERNON T. HALL

A C C U S A T I O N

13 6960 Magnolia # 200
14 Riverside, CA 92506

15 Certificate No. CPA 12996

16 Respondent.

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18 Complainant alleges:

19 **PARTIES**

20 1. Carol Sigmann (Complainant) brings this Accusation solely in her official
21 capacity as the Executive Officer of the California Board of Accountancy, Department of
22 Consumer Affairs.

23 2. On or about April 21, 1967, the California Board of Accountancy issued
24 Certificate Number CPA 12996 to Vernon T. Hall (Respondent). The Certificate will expire on
25 August 1, 2004, unless renewed.

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1 6. Sections 5109 and 118, subdivision (b), of the Code provide that the
2 suspension or expiration of a license shall not deprive the Board of jurisdiction to proceed with a
3 disciplinary action.

4 FIRST CAUSE FOR DISCIPLINE

5 (Suspension Imposed by the Securities and Exchange Commission)

6 7. Respondent is subject to disciplinary action under Code sections 5100(h)
7 and/or 5100(l), based on the suspension imposed by the United States Securities and Exchange
8 Commission (SEC). The circumstances are as follows:

9 8. On or about November 5, 2001, in SEC Case number 3-9042, entitled "In
10 the Matter of IMS/CPAs & Associates, Vernon T. Hall, Stanley E. Hargrave and Jerome B.
11 Vernazza," respondent was suspended from being associated with an investment advisor for six
12 months. In addition, the investment advisor registration of respondent's firm IMS/CPAs &
13 Associates (IMS) was suspended for six months. Respondent and IMS appealed that decision
14 and the suspensions were stayed pending the appeal. On or about April 24, 2003, the Ninth
15 Circuit upheld the decision and the suspensions. The suspensions went into effect on or after
16 October 14, 2003.

17 SECOND CAUSE FOR DISCIPLINE

18 (Failure to Report)

19 9. Respondent is subject to disciplinary action under Code sections 5100(g)
20 and 5063 in that he failed to timely report to the Board about the six month suspensions imposed
21 by the SEC. The circumstances surrounding the suspensions are more particularly set forth in
22 paragraphs 7 and 8, above.

23 THIRD CAUSE FOR DISCIPLINE

24 (General Unprofessional Conduct)

25 10. Respondent is subject to disciplinary action under section 5100 in that he
26 committed acts constituting unprofessional conduct as more particularly set forth in paragraphs 7
27 through 9, above.

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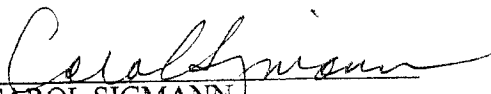
1 PRAYER

2 WHEREFORE, Complainant requests that a hearing be held on the matters herein
3 alleged, and that following the hearing, the Board issue a decision:

4 1. Revoking, suspending or otherwise imposing discipline on Certificate
5 Number CPA 12996, issued to respondent.

6 2. Taking such other and further action as deemed necessary and proper.

7 DATED: March 29, 2004

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9 
10 CAROL SIGMANN
11 Executive Officer
12 California Board of Accountancy
13 Department of Consumer Affairs
14 State of California
15 Complainant

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